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EFFECTIVE USE OF FINANCIAL CONTROL IN THE PUBLIC FINANCE MANAGEMENT (PFM)

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ABSTRACT

Today, in the context of deepening economic reforms, financial control in the management of public finances plays an important role in improving the financial independence of the budgetary organizations in order to effectively and effectively utilize the budgetary funds, to strengthen their fiscal discipline. ; simplification of mechanisms for financing of budget-financed organizations and creation of conditions for rational distribution of available resources in the use of budgetary funds; establishing conditions to encourage the employees of budgetary organizations, increase their efficiency and reduce staffing.
However, due to the lack of adequate control over budget allocations, heads of budgetary institutions, chief accountants, financial bodies and their immunity, there are a number of deficiencies in budget execution, system, but also in the financial system.

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1. Introduction

Public financial control is carried out by the public financial control authorities in order to detect, eliminate and prevent violations of the budget legislation by the entities of financial control.

Public finance management plays an important role in the social and economic development of the country, and it is important today to focus on the effectiveness of reforms in this area.

Objective conditions of finance appear in the state's role in the economic system and its functions. The role of the state in the economy is to reform property relations in society, to ensure institutional changes, economic efficiency and social equality.

Public finance includes the system of economic relations associated with the formation and use of centralized monetary funds in the process of distribution of national income generated during the expansion of the social re-production. The essence of public finance and its objectives are determined by the functions of the state, production methods, character of production relations.

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Public finance is a key area of the country's financial system and also provides financial resources for economic, social, political and environmental functions of the state.

The economic essence of public finances is the sum of the publicly funded financial resources in the distribution and redistribution of the value of the entire social product and of the part of national wealth, as well as the broadening of money relations in the growth of society's growing social activities.

Today, the following tasks are in place for managing and organizing public finances seeking maximum financial and financial resources to achieve sustainable development in a balanced market:

- the correct outline of the total budget revenues, ensuring the socio-economic development prospects and the effective implementation of targeted programs;
- accurate definition and optimization of the overall budget expenditures, taking into account the need for continuous financing of all measures of national importance;
- coordination of financial stabilization programs aimed at eliminating inflationary trends in the economy and monetary volatility, ensuring stability of the national currency, with the state budgetary policy measures;
- elimination or reduction of budget deficits at the expense of economically viable sources of non-inflation;
- The rational adjustment of the budget to balance budgets at different levels through redistribution of public revenues between economic zones, economic sectors and budgets;
- increasing the importance of medium-term and long-term planning of the budget, which ensures the effective implementation of large-scale socio-economic programs;
- ensuring the control over the financial activities of individual citizens and legal entities in the performance of tax liabilities;
- automation of budgeting and execution of budgets through the introduction of an automated financial system based on the widest use of modern techniques and technologies and many others.

The economic structure of public finance is not literally one, it is composed of interconnected chains, but with the functions it performs:

- State budget;
- State Targeted Funds;
- Government loans.

Each branch and branch of the financial system belongs to the specific forms and methods of formation and use of money funds and income. Resources through the state budget are channeled to the centralized fund of the state and redistributed between the economic regions, sectors, and the social groups.

In carrying out the state financial control, the forms of inspections and surveys of financial supervision are used for the purposes of audits, checks, including control over the violations of the previous audit or inspection revealed in the budget.

Public oversight bodies use several methods of control:

a) Depending on the size of the documentation:

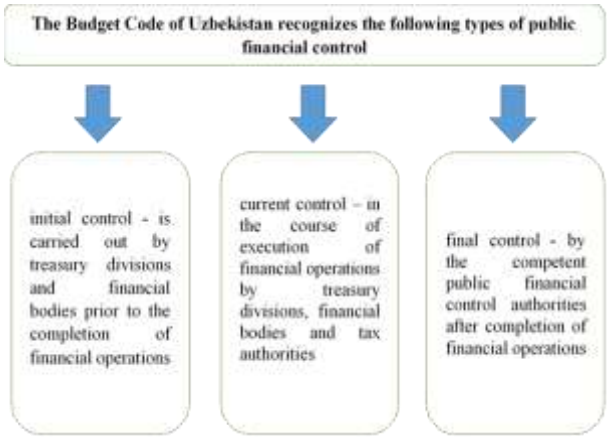
Complete control - to control all accounting, financial, statistical, banking documents and other documents for the period under review;

Competitive control - control of certain parts of accounting, finance, statistics, bank documents and other documents for a specific period of time;

b) depending on the purpose and object of the monitoring:

complex control - control over all aspects of the financial and economic activity of a subject of financial control for a certain period of time;

subject control - control of activity of financial control object on certain issues for a certain period of time;



2. Violations of the budget discipline are

Incorporating inaccurate budgetary appropriations into expenditure estimates, which are increased on the basis of incorrect data and norms;

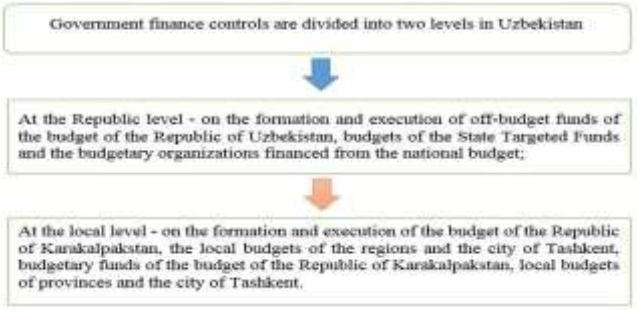
Failure to comply with the established limited number of employees, standard rates of employee engagement, exemplary staffing standards;

Non-observance of the procedure for formation and use of extra-budgetary funds of budgetary organizations;

non-observance of the established order and regulations of tariffing lists.

Object of the state financial control is understood as all monetary relations that arise in the course of activity of subjects of economic organizations, connected with the use and formation of public funds.

The state budget is a nationwide public money fund, which forms the main financial resources of the country as an important part of the financial system. It is one of the most important financial instruments in the country's governance. Significantly, it is a part of society's income.



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3. Discussions

State financial control of socio-economic development of the country is a separate area of activity. Objects of public financial control are the processes of formation, use and allocation of financial resources at all levels of management. Public financial control in this area primarily serves to ensure that the public finances are properly and efficiently utilized, and that they use the state property wisely.

Establishment of the Treasury bodies has provided a solid foundation for the effective control of public finances and for the strict control of its rational use. First of all, treasury carries out the proceeds from the execution of the state budget, and all expenditures from the single treasury bill.

Financial supervision authorities have been given special powers in financial supervision agencies, and in order to eliminate existing problems in the financial system, over the past two years, the activities of these oversight bodies have been radically improved.

Taxation is the main source of the formation of public finances, it ensures timely and complete reduction of tax revenues to the budget by controlling compliance of taxpayers with the legislation. Thus, radical reform of the body's activities within the framework of shortcomings is one of today's urgent issues.

Conclusion

Taking into account the above, it is particularly important to have a strong influence on the control system by improving the quality of staff and the quality of controlling staff within the framework of the ongoing reforms to improve the financial supervision of state financial management. To do this, in our opinion, it is desirable to:

First of all, adequate training and expertise should be available to the relevant supervisors. The inspector should have sufficient experience, accounting and budgetary qualification to accomplish his / her mission.

Secondly, it is important to ensure equity. Of course, in the conditions of social justice, there is no need for audits or checks if it is not fair. For this reason, the need for equity is also categorized in the Code of Conduct for Democracy.

Third, it is necessary to take the necessary professional care. The supervisor is always responsible for the quality of the work done. Necessary clarity is a complete overview of the business documents, completeness and completeness of the reports, the validity of the audit and review report.

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